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# A BILL FOR AN ACT

RELATING TO HEALTH.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1       SECTION 1. Act 139, Session Laws of Hawaii 2016, amended  
2       section 323D-18.5, Hawaii Revised Statutes, to facilitate  
3       greater transparency in the health care sector and improve  
4       understanding of health care costs, health care system quality,  
5       population health conditions, and health care disparities by  
6       authorizing the submission of health claims and administrative  
7       data from the employer-union health benefits trust fund and the  
8       state medicaid agency, and the acquisition of medicare data sets  
9       specific to Hawaii. The state health planning and development  
10      agency, through its designee, the pacific health informatics and  
11      data center at the University of Hawaii, and with the  
12      collaboration of multiple state departments and agencies, has  
13      initiated phase one of establishing the Hawaii Health Data  
14      Center, an all-payer claims database for the State, focusing on  
15      government as payer data.

16      The data authorized by Act 139, Session Laws of Hawaii  
17      2016, provided some information. Now the database must fill



1 data gaps within populations and add new data sources. As  
2 stated in the article, *The Promise of Data-Driven Policymaking*  
3 by Daniel Etsy and Reece Rushing, "Policymaking, as it currently  
4 stands, can be like driving through a dense fog in the middle of  
5 the night. Large data gaps make it difficult to see problems  
6 clearly and chart a course forward."

7 Currently, the state health planning and development agency  
8 has identified a large gap missing from the Hawaii senior  
9 population data, the medicare advantage data (medicare part C).  
10 The state health planning and development agency, through its  
11 designee, has acquired administrative and health claims data for  
12 medicare parts A, B, and D. To assure a more complete picture  
13 of health care costs and services utilization by Hawaii's senior  
14 population, and to provide a more comprehensive analysis and  
15 better information, it is necessary to require the submission of  
16 medicare advantage health claims and administrative data.

17 According to the department of business, economic  
18 development, and tourism's *DBEDT 2045 Series Report*, Hawaii's  
19 senior population, age 65 and over, is the only population  
20 projected to increase in size between 2016 and 2045, from 17.1  
21 per cent to 23.8 per cent of the total population.



1       The state health planning and development agency recognizes  
2       that the need for a complete and robust medicare data set is  
3       essential to effectively plan and prepare for the approaching  
4       "Silver Tsunami" and the accompanying increase in medical  
5       expenditures by both the state and federal government.

6       SECTION 2. Section 323D-18.5, Hawaii Revised Statutes, is  
7       amended by amending subsection (b) to read as follows:

8       "(b) Providers of health insurance subject to this  
9       subsection shall submit administrative data as follows:

10       (1) Beginning November 1, 2016, providers of health  
11       insurance that provide health [+]benefits[+] plans  
12       funded by the Hawaii employer-union health benefits  
13       trust fund, the state medicaid agency, or both, shall  
14       provide to the state agency, or its designee,  
15       administrative data required by the state agency to  
16       determine health benefits costs, including health care  
17       services claims and payment data regarding  
18       beneficiaries of health benefits plans funded by the  
19       Hawaii employer-union health benefits trust fund, the  
20       state medicaid agency, or both[-]; and



1       (2) Beginning January 1, 2019, providers of health  
2       insurance that provide medicare advantage (medicare  
3       part C) health benefits plans to residents of the  
4       State shall provide to the state agency, or its  
5       designee, administrative data required by the state  
6       agency to determine health benefits costs, including  
7       health care services claims and payment data."

8       SECTION 3. If any provision of this Act, or the  
9       application thereof to any person or circumstance, is held  
10      invalid, the invalidity does not affect other provisions or  
11      applications of the Act that can be given effect without the  
12      invalid provision or application, and to this end the provisions  
13      of this Act are severable.

14      SECTION 4. Statutory material to be repealed is bracketed  
15      and stricken. New statutory material is underscored.

16      SECTION 5. This Act shall take effect upon its approval.



**Report Title:**

Department of Health; State Health Planning and Development  
Agency; Medicare Part C

**Description:**

Requires health insurance providers that provide medicare  
advantage (medicare part C) health benefit plans to submit  
administrative data, including health care service claims and  
payment data, to the State Health Planning and Development  
Agency, or its designee. (SD1)

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not legislation or evidence of legislative intent.*

